

EXHIBIT H

1 UNITED STATES DISTRICT COURT FOR THE
2 SOUTHERN DISTRICT OF NEW YORK
3
4 CITGO PETROLEUM CORPORATION)
5) No. 1:21-cv-389-GHW
6 Plaintiff,)
7)
8 - against-)
9)
10 ASCOT UNDERWRITING LIMITED)
11 (FOR AND ON BEHALF OF LLOYD'S)
12 SYNDICATE 1414), et al.,)
13)
14 Defendant(s))
15

16 CONFIDENTIAL pursuant to stipulated confidentiality
17 agreement and protective order
18

19 Videotaped Deposition of:

20 WALLACE PARSONS,

21 taken on behalf of the Plaintiffs

22 September 20, 2021, at 9:00 a.m. Eastern Standard Time

23

24 REPORTED BY:

25 Angela Gunn, CSR

26 Worldwide Litigation Services

27 -----

28 Chicago (312) 528-9111 + Minneapolis (612)

29 594-7660 + Las Vegas (702) 799-921

30 Job 48554



1 Video Deposition of WALLACE PARSONS, called by the
2 Plaintiff herein, held before a stenographic court
3 reporter conducted by video conference, on Monday,
4 the 20th day of September, 2021, at 9:00 a.m. EST.
5

6 A P P E A R A N C E S: (Via Videoconferencing)
7

8 ON BEHALF OF THE PLAINTIFFS:

9 Jeffrey Mikoni

10 Mark Plumer

11 Pillsbury Winthrop Shaw & Pittman

12 1200 Seventeenth Street, NW

13 Washington, DC 20036 USA

14 T: +1.202.663.8000

15 F: +1.202.663.8007

16 jeffrey.mikoni@pillsburylaw.com

17

18 ON BEHALF OF THE DEFENDANTS:

19 John Woods

20 Thomas Myers

21 William Clooney

22 Clyde & Co.

23 The Chrysler Building

24 405 Lexington Avenue

25 New York, NY 10174 USA

1 Tel: +1 212 710 3900
2 john.woods@clydeco.us
3
4 ON BEHALF OF Canship and WITNESS:
5 Yaakov Adler
6 Freehill Hogan & Maher
7 80 Pine Street, 25th Floor
8 New York, NY 10005-1759
9 Phone: 212-425-1900
10 Fax: 212-425-1901
11 adler@freehill.com
12
13 ALSO PRESENT: Carole Rouffet, Skuld North
14 America.
15 Scott Breckheimer, Videographer and exhibit
16 technician
17
18
19
20
21
22
23
24
25



1 charge of running the company's security, whether
2 it's maintaining the ship's security plan, et
3 cetera.

4 Q. So what sort of notices might you
5 get from the safety officer?

6 A. If -- well, anything related to
7 safety. If doing work, normally risk assessments,
8 tests, they assist in helping us do our
9 preplanning, I guess, make sure all the hazards
10 are identified so that work can be completed
11 safely. They are involved in updating our
12 manuals, sending out notices, that type of stuff.

13 Q. And how would you factor those
14 sorts of warnings in your plans?

15 A. It would be discussed in our
16 daily meetings, and see how it would affect our
17 operation, and we would do a risk assessment and
18 discuss any mitigating factors that we would put
19 in place to try to mitigate the risk, if any.

20 Q. Do you recall ever receiving any
21 information regarding political developments from
22 Canship safety officer?

23 A. Yes, I did receive some notices I
24 think when there was an attempted coup, I think
25 it's called.

1 Q. Do you recall when or can you
2 tell me a little bit more about that. What
3 attempted coup are you recalling?

4 **A. It's when the interim president,**
5 **I guess he's called, attempted a coup against the**
6 **current president of Venezuela.**

7 Q. So you are specifically referring
8 to Venezuela?

9 **A. Yes, Venezuela, yes, sorry.**

10 Q. And do you recall approximately
11 when you received that notice?

12 **A. No, I don't recall.**

13 Q. Not limiting yourself to your
14 time on the Gerd in November of 2018 through
15 February of 2020, just more generally as the
16 ship's master, had you previously received any
17 political related notices from the safety officer?

18 **A. No, I did not.**

19 Q. That's the only one that steps
20 out of your mind, is that --

21 **A. Yes.**

22 Q. -- you recall as an attempted
23 coup in Venezuela?

24 **A. Yes, it is.**

25 Q. And what considerations does the

1 list, and as per list, except just some small
2 basic forms. Venezuela, for example, they
3 required a drug inspection on board and a hull
4 survey as well prior to issuing any outward
5 clearance.

6 Q. All right. Just to be clear, can
7 you explain what you mean by a drug inspection?

8 A. The National Guard, all local
9 port authorities will come aboard and along with
10 divers they would inspect the ship, sometimes with
11 dogs, for any drugs, and the divers would actually
12 do a video recording of the inspection of the
13 hull, and they would be looking for drugs as well.

14 Q. And you also mentioned a hull
15 survey. Can you explain what that is?

16 A. That is the diver's hull
17 inspection for drugs or drug inspection.

18 Q. Okay. The hull survey, got it,

19 A. Yeah, yeah. And they would issue
20 a video of the record -- a recording of the
21 inspection.

22 Q. And would they provide you as the
23 master with a copy of that video?

24 A. Yes, they did.

25 Q. Did you transmit that back to



1 tanks located?

2 **A. On the stern or the half part of**
3 **the vessel.**

4 Q. And is there one port, one
5 starboard?

6 **A. Those would be designated I think**
7 **as a distilled and potable.**

8 Q. And then where is the ballast
9 tanks located?

10 **A. The outboard side of the cargo**
11 **tanks.**

12 Q. Thank you very much.

13 Captain Parsons, can you tell me what date you
14 served as the master aboard the Gerd Knutsen
15 between December 2018 and February 2020?

16 **A. Exact dates I can't say, but I**
17 **joined early April 2019, until the vessel was sold**
18 **in the end of June, I think, I do believe, or the**
19 **first part of July 2020.**

20 Q. So your first tour was between
21 early April of 2019, and either the end of June or
22 early July 2019; is that correct?

23 **A. I can't remember if I did a**
24 **6-week trip or not, but, yeah, exact dates I don't**
25 **recall.**

1 Q. That's fine. Just to the best of
2 your recollection, but that's roughly the window?

3 A. **Yeah, early April until sometime**
4 **in end of May.**

5 Q. You said end of May there a
6 moment ago. You said end of June or early July
7 previously. Do you recall which it is?

8 A. **End of July was 2020.**

9 Q. End of July --

10 A. **My entire stint on the Gerd was**
11 **from April 2019 until either end of June, early**
12 **July of 2020.**

13 Q. Okay, I understand, thank you.

14 A. **On a 6-week rotation, give or**
15 **take.**

16 Q. Okay. So your first rotation was
17 April 2019 to sometime in May of 2019; is that
18 correct?

19 A. **Correct.**

20 Q. Do you recall roughly when your
21 second -- next rotation was?

22 A. **I think I joined in August, late**
23 **August.**

24 Q. And do you recall when that
25 rotation ended approximately?

1 **A. No, not to my knowledge.**

2 Q. So at the end of your second
3 rotation, it remained the case that the cargo was
4 fully loaded and you would not receive clearances
5 to depart, correct?

6 **A. Correct.**

7 Q. Your second rotation ended
8 approximately the end of September 2019, correct?

9 **A. Approximately, yes, correct.**

10 Q. Do you recall what master
11 replaced you as master of the Gerd at that time?

12 **A. Captain Ezra Winters.**

13 Q. I assume the Gerd did not move
14 during the entirety of your second rotation; is
15 that correct?

16 **A. That's correct.**

17 Q. You were still anchored at
18 11 miles out?

19 **A. That's correct.**

20 Q. Do you recall whether you
21 explained the status quo regarding the cargo and
22 the clearances to Captain Winters when you handed
23 off the Gerd to him?

24 **A. Yes, and he was the chief officer**
25 **on board prior to me joining, so he was more**

1 **A. Yes, correct.**

2 Q. And there was difficulty securing
3 bunker, and having it delivered to the Gerd in
4 Venezuelan water, correct?

5 **A. Yes, correct.**

6 Q. But your understanding is that
7 CITGO was able to purchase Gerd and ultimately
8 arrange to have it delivered -- sorry, purchased
9 bunker and ultimately arranged to have it
10 delivered to the Gerd, correct?

11 **A. Yes, previously purchased bunker,
12 whatever happened, yes, that ended up coming and
13 being delivered to the Gerd.**

14 Q. But that delivery was after you
15 left -- finished this rotation on the Gerd,
16 correct?

17 **A. Correct.**

18 Q. Thank you. If you can take that
19 exhibit down, please.

20 Captain Parsons, during your third
21 rotation on the Gerd you were master of the Gerd
22 at the end of November and early December of 2019,
23 correct?

24 **A. Yes.**

25 Q. Would the exhibit tech please

1 mark document three as **Exhibit 3**, and place it up
2 on the screen. For the record, this **Exhibit 3** is
3 an email thread and attachment that were produced
4 by CITGO in the litigation. They are Bates
5 labelled as CITGO 11046 and 11049 respectively.
6 The emails and the email threads span
7 November 13th through 15th, 2019. The attachment
8 page Bates No. 11049 is dated November 12, 2019.
9 --- **Exhibit 3**: Bates CITGO 11046 and
10 11049 respectively; email
11 threads span November 13th
12 through 15th, 2019, with
13 attachment dated
14 November 12, 2019 ---

15 BY MR. MIKONI:

16 Q. Captain Parsons, please take a
17 moment to review these two pages and let us know
18 when you need the exhibit tech to scroll them for
19 you.

20 A. **He can scroll. You can keep
21 scrolling.**

22 Q. I think that's the end of the
23 document. Can you please centre the screen on the
24 bottom email on the first page. Thank you.

25 Captain Parsons, do you recognize these



1 documents?

2 **A. Yes, I do.**

3 Q. Okay. The bottom email on this
4 page is a November 13th email from Oswaldo Vargas
5 at a pdvsa.com email address; do you see that?

6 **A. Yes, I do.**

7 Q. That email was sent to
8 mas.gerd.knutson@knutsonoas.com email address,
9 gerd.knutson@knutsonoas, @pdvsa.com email address,
10 and cc to a mas.gerd.knutson@canship.com email
11 address. Do you see that?

12 **A. Yes, I do.**

13 Q. Are any of those three email
14 addresses your email aboard the Gerd?

15 **A. Yes, the one in the copied,**
16 **mas.gerd.knutson@canship.com.**

17 Q. So you received that
18 November 13th, 2019 email at the Gerd Master email
19 address; is that correct?

20 **A. Yes, I did.**

21 Q. And that email that you received
22 included the attachment that we saw on the second
23 page, Bates No. 11049, correct?

24 **A. Whether that was attached or not,**
25 **I can't say, but most likely, yes.**

1 Q. Then if we scroll up just a
2 little bit to the email above this, this
3 November 14th email, 2019, bears your signature,
4 correct?

5 **A. Yes, that's correct.**

6 Q. You sent that email to Melody
7 Wheeler; is that correct?

8 **A. Yes, that's correct.**

9 Q. Could you please scroll back down
10 to the bottom of this page, Scott. Thank you.

11 Captain Parsons, what did you understand
12 this email from Oswaldo Vargas to be?

13 **A. What do you mean, like my
14 understanding from the request?**

15 Q. Yes. What did you understand
16 this request to be?

17 **A. Well, my understanding would be
18 PDVSA hoping that I would proceed to Jose and
19 discharge the cargo.**

20 Q. And that's what is requested in
21 that furthermore sentence, "Furthermore, you are
22 requested to proceed to Terminal Jose to discharge
23 cargo ASAP?"

24 **A. Yeah.**

25 Q. Okay. What is PDVSA in your



1 understanding?

2 **A. A government owned and operated**
3 **oil I guess company.**

4 Q. When you say government owned, do
5 you mean the Venezuelan government?

6 **A. Yes, I do.**

7 Q. When PDVSA in this email
8 requested you to proceed to Terminal Jose to
9 discharge the cargo, did you understand them to be
10 requesting that you would discharge the cargo to
11 PDVSA?

12 **A. Yes.**

13 Q. At the time you received this
14 email, what was your understanding of PDVSA's
15 relationship to the cargo aboard the Gerd Knutsen?

16 **A. My understanding was they didn't**
17 **have any relationship with it. They didn't own**
18 **it. They were the -- they I guess sold the cargo**
19 **to CITGO.**

20 Q. Scott, could you please scroll
21 down to the next page. So, Captain Parsons, I'll
22 direct you to the second line of this
23 paragraph where it describes PDVSA as the cargo
24 owners and shippers for the Gerd Knutsen cargo.
25 Do you see that?

1 **A. Correct.**

2 Q. At the time you received this
3 letter from PDVSA did you have an understanding of
4 whether the Maduro regime or the Guaidó government
5 was controlling PDVSA?

6 **A. As far as I understood Maduro was
7 controlling PDVSA.**

8 Q. So you understood this to be a
9 request from the Maduro version of PDVSA, correct?

10 **A. That was my thought, yes.**

11 Q. In the email thread that we have
12 reviewed shows that you forwarded this attachment
13 to Melody Wheeler at CITGO. Did you take any
14 other actions in response to receiving this email?

15 **A. I can't say for sure, but
16 99 percent chance it would have been forwarded off
17 to the ship owners as well.**

18 Q. Now you did not follow this order
19 to discharge the cargo, correct?

20 **A. No, I did not.**

21 Q. Why not?

22 **A. Because PDVSA is not the
23 charterer.**

24 Q. So you didn't understand PDVSA to
25 have any authority to make these instructions; is

1 **A. Two weeks later.**

2 Q. Perfect. Do you recall if
3 anything relating to PDVSA's request to discharge
4 the cargo happened between receiving the
5 November 12th letter and these November 29th
6 emails?

7 **A. Nothing happened on our end.**

8 **Anything else ashore, I can't speak to, but...**

9 Q. So after you received the
10 November 12th letter and passed that along to
11 CITGO, you don't recall anything else happening on
12 your end prior to November 29th, correct?

13 **A. Correct.**

14 Q. Scott, can you please scroll down
15 to the bottom email in this thread, next page.
16 There, perfect. A little bit up, please.

17 That is good, thank you, Scott.

18 Captain Parsons, in this email dated
19 November 29th, Karl Schmidt writes:

20 "Thank you for passing on the
21 letter you received from PDVSA
22 today. Can you please provide some
23 more information with regards to
24 this. Who all came to visit the
25 Gerd Knutsen today?"



1 Do you recall the visit that Mr. Schmidt
2 is referencing in this email?

3 A. Vaguely, yes.

4 Q. Vaguely. Do you recall receiving
5 a letter from PDVSA on or around November 29,
6 2019?

A. Yes, I did receive a letter.

8 Q. Scott, can you please mark
9 document six as **Exhibit 6**, and place that up on
10 the screen for a moment. I apologize for the
11 awkwardness, Captain Parsons. This would have
12 been the part that would be easier if the binder
13 made it to you on time.

A. I'm okay. I'm doing fine.

15 O. Thanks for your patience.

16 A. No worries.

17 Q. For the record, Exhibit 6 is a
18 letter on PDVSA letterhead, it was produced by
19 CITGO in this litigation, Bates No. on that letter
20 is CITGO 33423. It is followed by a certified
21 translation of the letter, which is Bates
22 No CITGO 33424, and an accompanying certificate of
23 accuracy, which is Bates No. 33425.

24 --- Exhibit 6: letter on PDVSA letterhead
25 with translation; Bates No.



1 CITGO 33423 to 33425 ---

2 BY MR. MIKONI:

3 Q. Captain Parsons, can you please
4 take a moment to review these three pages?

5 A. You can scroll down. Keep on
6 going. I guess the last one is just translator.
7 There, all right. Okay, we are good.

8 Q. Let's go back to the first
9 page of this exhibit, please, and, Scott, could
10 you zoom out a little bit, please. Great, thank
11 you.

12 Captain Parsons, starting with this
13 first page of the exhibit, do you recognize this
14 letter?

15 A. I do, yes.

16 Q. Is that your signature on the
17 bottom right corner?

18 A. It is, yes.

19 Q. And is this the letter that in
20 the Exhibit 4 that we were just reviewing, the
21 email from Karl Schmidt thanking you for sending
22 along the letter, is this the letter referred to
23 in that exhibit?

24 A. I can't confirm, but given the
25 dates I would say yes.



1 sentence of that email out loud.

2 A.

3 "Good day, Mr. Schmidt. The local
4 Navieramar agent came aboard with a
5 PDVSA lawyer and from what I can
6 gather a PDVSA representative."

7 Q. What is Navieramar?

8 A. **That is the local agency in**
Venezuela.

9
10 Q. By local agency, what do you
11 mean?

12 A. **The ship's agent.**

13 Q. What role did they play?

14 A. **They were appointed by the**
charterer, CITGO, and ship's agent they look after
all I guess ship's required with regard to
documents, anything that needs to be looked after
for the vessel during the port call.

15
16 Q. Okay.

17 A. **They make the arrangements.**

18 Q. Was Navieramar involved with the
19 effort to receive clearances to depart Venezuela?

20 A. **Yes, all requests for -- from the**
vessel requesting for them to organize outward
clearance went to them, yes.

1 **A. I wouldn't even be able to guess.**

2 Q. No idea, that's fine. Okay, can
3 you read the I believe it's the third sentence of
4 this email out loud. It begins, "From what was
5 translated to me..."

6 A.

7 "From what was translated to me
8 they informed me that it was just a
9 notification letter stating that
10 based on a conversation or
11 correspondence between CITGO and
12 PDVSA on June 6th, where CITGO
13 indicated they did not want the
14 cargo anymore, including the DCO
15 based on contract number 34004276,
16 that PDVSA is now the owners of all
17 of the cargo on board and that
18 further instructions and documents
19 will be given later."

20 Q. Do you recall who provided you
21 that translation?

22 **A. The translation or info or
23 understanding of it?**

24 Q. In that sentence you writer,
25 "From what was translated to me," this was your



1 into the record.

2 A.

3 "Good day, Melody. I currently
4 have the PDVSA reps, agent and INEA
5 rep on board who have informed me
6 that tomorrow the Port Authorities
7 will come tomorrow to issues
8 outward clearance for me to sail to
9 Puerto La Cruz to discharge
10 immediately. According to them
11 this is based on the court order
12 given to the vessel back in
13 December. Please advise how I am
14 to proceed."

15 Q. Thank you. Do you recall this
16 incident where PDVSA reps, agent and INEA rep
17 boarded the Gerd on February the 7th?

18 A. **Yes, I do.**

19 Q. We had spoken a moment ago about
20 a PDVSA representative boarding the Gerd at the
21 end of November. Are you aware of any moments or
22 any occasion between the end of November and this
23 February 7th boarding where PDVSA boarded the
24 Gerd?

25 A. **They did board the vessel back**

1 **in -- or in December while I was home.**

2 Q. How did you learn about that
3 boarding?

4 A. **It was handed over to me when I**
5 **joined the vessel in January.**

6 Q. Are you aware of any other
7 boardings between November 2019 and February 7,
8 2020?

9 A. **Not off the top of my head, no, I**
10 **don't recall.**

11 Q. Do you recall how many PDVSA reps
12 boarded the Gerd on February 7th?

13 A. **No, I do not.**

14 Q. Could you approximate?

15 A. **Probably wouldn't be very**
16 **accurate.**

17 Q. That's fine. When you said there
18 was an agent on board, what do you mean by agent?

19 A. **The local agent, Navieramar**
20 **agent.**

21 Q. And you mentioned an INEA rep.
22 Can you explain what INEA is?

23 A. **It's one of their local marine**
24 **police.**

25 Q. Did you say marine police?

1 **A. Marine police, yeah. One of the**
2 **local marine authorities.**

3 **Q. Was the INEA rep armed?**

4 **A. I do not recall.**

5 **Q. Do you recall approximately how**
6 **long these individuals remained on the Gerd on**
7 **February 7th?**

8 **A. No, I do not know.**

9 **Q. You wrote that they informed you**
10 **that the port authorities would issue outward**
11 **clearance for you to sail to Puerto La Cruz to**
12 **discharge the cargo, correct?**

13 **A. Correct.**

14 **Q. By the port authorities, what do**
15 **you mean?**

16 **A. The local harbourmaster would be**
17 **the authority to issue the outward clearance.**

18 **Q. By discharge immediately in this**
19 **email, did you mean discharge the cargo?**

20 **A. That's what they requested me to**
21 **do, yes.**

22 **Q. Was that a request to discharge**
23 **the cargo to PDVSA?**

24 **A. Yes.**

25 **Q. Approximately how far away from**

1 the Gerd's present location was Puerto La Cruz at
2 that time?

3 **A. A two-day steam, approximate.**

4 Q. Did you understand these
5 instructions to be any different from the
6 instructions that you received in November 2019 to
7 discharge the cargo to PDVSA?

8 **A. This -- the instructions, no, no.**

9 Q. Was anything else about these
10 circumstances different in February 7 from the
11 circumstances in which you were instructed to
12 discharge the cargo in November of 2019?

13 **A. At the time of this email, no.**

14 **Shortly after, yes.**

15 Q. What happened shortly after?

16 **A. I was informed that the Navy**
17 **would be -- that I would have to leave, and that I**
18 **would be escorted under armed guard with the Navy,**
19 **and that I had to leave, no issues.**

20 Q. Do you recall who informed you
21 that you had to leave?

22 **A. It was conveyed through the**
23 **agent.**

24 Q. Scott, could you please take this
25 document down, and if you could please mark

1 **A. This one, yes.**

2 Q. Did you have an understanding of
3 the Venezuelan Navy was escorting the Gerd?

4 **A. No, not in particular, no.**

5 Q. Scott, can you please flip back
6 to **Exhibit 7**. Thank you.

7 So, Captain Parsons, to focus again on
8 February 7th, when the PDVSA reps and others
9 boarded the Gerd. At that point in time did you
10 intend to follow their instructions to travel to
11 Puerto La Cruz and discharge the cargo?

12 **A. If the time frame was there, with
13 no instruction of the Navy arms -- being armed and
14 making me leave, no.**

15 Q. Scott, can you please scroll up
16 to the prior email on this thread. Scroll down a
17 little bit more. Sorry, it's a short one. A
18 little more. There we go.

19 Captain Parsons, do you see the
20 February 7, 2020 email, 9:55 a.m -- sorry, the
21 9:50 a.m. email that's on the screen right now?

22 **A. Yes.**

23 Q. Did you send this email to Melody
24 Wheeler and others?

25 **A. Yes.**

1 **and being permitted to sail.**

2 Q. Were any of those issues
3 addressed in February of 2020?

4 A. No. These three issues noted
5 here was what was picked up on by a inspection
6 that was done prior to this. These were three
7 findings that were noted.

8 Q. Do you recall when that
9 inspection occurred?

10 A. No, I do not.

11 Q. Do you recall who conducted that
12 inspection?

13 A. I can't remember his name.

14 Q. Was it in an inspection by one of
15 the Gerd crew or someone else?

16 A. Third party.

17 Q. Do you recall what organization
18 or entity the third party was associated with?

19 A. No, I do not recall, no.

20 Q. I may have asked this earlier, I
21 apologize if I'm repeating myself, but when the
22 Gerd was boarded on February 7, 2020, how long did
23 the PDVSA reps and other persons remain on board?

24 A. I can't recall.

25 Q. What was your understanding of

1 the instructions they wanted you to follow at the
2 time they departed?

3 **A. When they departed, if I recall**
4 **correctly, it was that the Navy would be escorting**
5 **us through Jose, and that outward clearance would**
6 **be given for that voyage.**

7 **Q. And did you understand those**
8 **instructions to be coming from PDVSA?**

9 **A. That I can't say or confirm. All**
10 **I know is that the local authorities were the ones**
11 **that were going to issue the instructions based on**
12 **the court -- court document that they referenced**
13 **back in December.**

14 **Q. And what do you mean by local**
15 **authorities?**

16 **A. Whether the Navy, INEA, marine**
17 **police, it's one of their local agencies.**

18 **Q. Did you instruct -- discuss those**
19 **instructions with CITGO?**

20 **A. It was forwarded off to CITGO,**
21 **but any correspondence I can't recall.**

22 **Q. Do you recall whether CITGO**
23 **advised you to take any action in response to**
24 **those instructions?**

25 **A. No, I don't recall.**

1 Q. Do you recall whether you
2 discussed that boarding with Canship at all?

3 A. **I can't specifically recall it,**
4 **but it was discussed I'm sure with the owners and**
5 **Canship.**

6 Q. You ultimately did receive the
7 clearances to travel to Jose, correct?

8 A. **Yes.**

9 Q. And you ultimately followed those
10 instructions and travelled the Gerd to Jose,
11 correct?

12 A. **Correct.**

13 Q. Why did you ultimately accede to
14 these instructions?

15 A. **Because the local Navy ordered me**
16 **to do so.**

17 Q. Did you understand those
18 instructions to be to travel to Jose in order to
19 discharge the cargo?

20 A. **They instructed me to sail to**
21 **Jose, that there was no -- the Navy didn't tell me**
22 **to discharge the cargo. The Navy told me that I**
23 **had to sail to Jose.**

24 Q. Were you separately told to
25 discharge the cargo in Jose?

1 **A. In Jose, yes.**

2 Q. Did you travel to Jose with the
3 military escort by the Venezuelan Navy?

4 **A. Yes, I did.**

5 Q. Did you ever previously have a
6 military escort on a ship that you were a master
7 of?

8 **A. No.**

9 Q. Have you ever heard of military
10 escorts being required while a ship was in
11 transit?

12 **A. No.**

13 Q. Do you have any understanding of
14 why the Venezuelan Navy was involved in this
15 particular transit?

16 **A. No, I do not.**

17 Q. Please take this document down,
18 Scott, and I ask you to mark document 14 as
19 **Exhibit 14** and put it up on screen.

20 MR. WOODS: I'm sorry, Jeff, what
21 exhibit is going up now?

22 MR. MIKONI: Document 14.

23 MR. WOODS: Thank you.

24 BY MR. MIKONI:

25 Q. For the record, **Exhibit 14** is

1 four copies of a document entitled "Letter of
2 Protest." They were produced by CITGO in this
3 litigation, Bates labelled CITGO 34320 through
4 34323. The letter is dated February 9th, 2020.

5 --- **Exhibit 14:** four copies of Letter
6 of Protest; Bates No.

7 CITGO 34320 through 34323 ---

8 BY MR. MIKONI:

9 Q. Captain Parsons, please take a
10 moment to review this document and have Scott
11 scroll through it as you need it.

12 **A. Scroll down. Keep on going.**

13 **Keep on going. Keep on going. All right.**

14 Q. Scott, can you Zoom out so we can
15 see all of one page at a time. That works, thank
16 you.

17 Captain Parsons, do you recognize these
18 letters?

19 **A. I do.**

20 Q. That's your signature at the
21 bottom of each page, right?

22 **A. Correct.**

23 Q. Did you prepare these letters of
24 protest?

25 **A. I did.**



1 Q. What is a letter of protest?

2 A. It is a letter or a statement
3 from, well, it would be myself, stating any --
4 it's basically a letter -- here it's basically a
5 letter saying that we do not -- or I do not agree
6 or the owner's agree with what is happening. It
7 goes -- like here, if you read the description, it
8 says:

9 "Vessel ordered to sail by local
10 authorities accompanied by the
11 Venezuelan Navy in contradiction to
12 current cargo documents and time
13 charterer's orders."

14 It's just saying that I note that this
15 is happening and really it's kind of out of my
16 control.

17 Q. Okay. Is it normal to prepare a
18 letter of protest in connection with the voyage?

19 A. Yes, we do letter of protests
20 often.

21 Q. You have previously done letters
22 of protest in connection with other voyages; is
23 that right?

24 A. Yes, correct.

25 Q. And what purpose does the letter

1 Q. Was the Gerd at any time boarded
2 by members of the Venezuelan Navy to your
3 knowledge?

4 A. **Yes, the Navy was on board prior**
5 **to departure.**

6 Q. Okay. Will you explain how that
7 happened, when did they board?

8 A. **If I remember correctly, it was**
9 **the morning that we departed all representatives**
10 **came on board, issued outward clearance prior to**
11 **departing.**

12 Q. Do you remember what day you
13 departed?

14 A. **It was the 9th of February. We**
15 **departed on the ninth and arrived in Jose on the**
16 **eleventh, if I remember correctly.**

17 [Reporter's query]

18 THE WITNESS: Departed Güiria on the
19 ninth and arrived in Jose on the
20 eleventh, I do believe.

21 BY MR. MIKONI:

22 Q. Do you recall approximately how
23 many persons boarded the Gerd on the ninth?

24 A. **No, I do not know.**

25 Q. No. Do you recall approximately

1 Q. How long did that process of
2 getting the boat started take?

3 A. **It's usually an hour notice to**
4 **the engine room to prepare, and same for the**
5 **bridge. If I recall correctly, I asked -- I told**
6 **them it would be longer because the vessel was on**
7 **anchor for so long, and exact times I wouldn't be**
8 **able to speak to.**

9 Q. Captain Parsons, I would like you
10 to look again at **Exhibit 14** on the screen. You
11 wrote that the order to sail was in contradiction
12 to current cargo documents. Can you explain what
13 you meant by that?

14 A. **Bills of lading.**

15 Q. Can you elaborate?

16 A. **The bills of lading were issued**
17 **stating that the cargo was transferred from PDVSA**
18 **to CITGO for the DCO.**

19 Q. And so how did the current orders
20 contradict those cargo documents?

21 A. **They were saying that PDVSA was**
22 **the owner and they wanted us to sail to discharge.**

23 Q. You also wrote that the order to
24 sail contradicted the time charterer's orders.
25 Can you explain what you meant by that?

1 **A. As CITGO was the time charterer,**
2 **their orders were not for the vessel to sail to**
3 **Jose.**

4 **Q. At that point in time, what were**
5 **your orders from the time charterers?**

6 **A. The voyage instructions at that**
7 **point was still to discharge in Aruba, if I**
8 **remember correctly.**

9 **Q. But you never received clearances**
10 **that would allow you to take that journey; is that**
11 **right?**

12 **A. That's correct.**

13 **Q. How long did it take to travel**
14 **from where the Gerd was anchored to Jose terminal?**

15 **A. I think it was two days. I think**
16 **we left on the ninth and arrived on the eleventh.**

17 **Q. What happened when you arrived at**
18 **Jose terminal?**

19 **A. Went to -- well, we didn't go to**
20 **the terminal. We went to anchorage.**

21 **Q. What do you mean by went to**
22 **anchorage?**

23 **A. The vessel went to anchor.**
24 **There's a designated anchorage area, and that's**
25 **where the vessel went for arrival. We had a port**

1 Q. Do you recall whether any members
2 of the Venezuelan Navy boarded the ship at this
3 time?

4 A. I don't think they boarded at
5 that time. I don't think so.

6 Q. Was the Navy gunship still in
7 close proximity to the Gerd at this time?

8 A. After anchorage, I can't recall
9 if she stuck around or not.

10 Q. You don't recall either way?

11 A. No, no, I don't recall.

12 Q. And did the PDVSA reps give you
13 any instruction at this time?

14 A. Yes, they wanted me to discharge
15 the cargo.

16 Q. Did you follow those
17 instructions?

18 A. At that point, no.

19 Q. Why not?

20 A. Because CITGO, as owners of the
21 cargo, had not instructed me to do so.

22 Q. You did ultimately discharge the
23 cargo at Jose terminal; is that correct?

24 A. That is correct.

25 Q. What changed between that point

1 exhibit down, please. Thank you.

2 Captain Parsons, once the decision was
3 made to discharge the cargo, how long did that
4 process take?

5 **A. I think it was almost two weeks**
6 **if I do recall. It was a lengthy discharge.**

7 Q. Why was that?

8 A. **Slow discharge rate.**

9 Q. Is that discharge rate slower
10 than what's usual in your experience?

11 A. **Yes. Apparently the Jose**
12 **terminal is meant to load ships and not be**
13 **discharged into. So because of the long distance**
14 **to the tank, storage tanks, our pumps couldn't**
15 **pump at a very high rate.**

16 Q. So the pumping process took
17 almost two weeks?

18 A. **A long time, yeah. Exact, I**
19 **don't -- I can't recall, but it was quite**
20 **sometime.**

21 Q. Who oversaw the discharge
22 process?

23 A. **As shore -- someone from shore**
24 **or on board?**

25 Q. Sorry, on board who was

1 THE WITNESS: No problem.

2 EXAMINATION

3 BY MR. WOODS:

4 Q. Captain Parsons, good afternoon,
5 this is John Woods from Clyde & Co. in New York.
6 Can you hear me all right?

7 A. Good afternoon, John. Yes, I
8 can.

9 Q. Very good. As you will have
10 heard from the beginning of this deposition, I
11 represent the cargo underwriters in this case. I
12 have a few questions for you. The rules of
13 engagement, guidelines, I should say, are as they
14 were before. Since this is your first deposition,
15 I just want to remind you that if at any time my
16 question is not clear, I would ask that you let us
17 know and let me know, and I'll attempt to clarify
18 it, and if we don't hear any objection from you
19 we'll assume that you understood the question and
20 the answer is true to the best of your knowledge,
21 information and belief. Is that understood?

22 A. Understood.

23 Q. And the other rules of engagement
24 apply as well, most important being if at any time
25 you want to take a break, just let us know and

1 we'll certainly accommodate that, okay?

2 **A. I'm looking more to get it done.**

3 **It's getting late here.**

4 Q. I appreciate that. I am
5 conscious of the time and the fact that we are one
6 hour ahead of you, which means while it's one hour
7 later there you started one hour later in the
8 deposition as well than we did, so --

9 **A. An hour and a half to be exact.**

10 Q. An hour and a half, is that
11 right. All right, I'll keep that in mind.

12 I just want to clarify to start off a
13 couple of questions or a couple of your answers
14 rather about the court order, orders, plural, I'm
15 not sure, that's what I want to clarify. And for
16 that reason I'll ask Scott, our exhibit tech, to
17 put up **Exhibit 7** in the first instance. Scott, if
18 you would scroll down to the page ending 477.
19 That will work.

20 Captain, you'll see in your email in the
21 bottom of that page a reference to the fact that
22 you had PDVSA reps on board the vessel, this is on
23 February 7th, 2020, who were informing you that
24 you were going to leave to go to Puerto La Cruz,
25 which I think you also refer to as Jose; is that

1 right?

2 **A. That's correct, yes.**

3 Q. And it says there that the orders
4 that you are going to get to sail to Jose, Port of
5 Jose, are based on the court order given to the
6 vessel back in December; do you see that?

7 **A. Yes.**

8 Q. We saw earlier, and we'll put it
9 up in a moment, you may recall that in earlier
10 questioning you were shown what was marked as
11 **Exhibit 8**, which is a Spanish translation of a
12 order from a Venezuelan court dated in December,
13 December 17, 2019.

14 Do you understand that your reference
15 there to the order of the court given to the
16 vessel back in December is that -- that order that
17 was served on the vessel when Captain Winters was
18 aboard on or about December 17, 2019?

19 **A. Yes, it would have to be
20 Captain Winters because I didn't receive anything
21 in December from anyone actually.**

22 Q. All right. You had received I
23 think some documentation in November before you
24 left the ship, but you were gone by the time this
25 court order was served on the vessel and Captain

1 Q. And on that same page, it
2 references at the bottom the Bolivarian National
3 Guard; do you see that?

4 A. **Yes.**

5 Q. It's in the bold. Do you
6 understand that the National Guard was empowered
7 by this order to carry out the order and to
8 execute it?

9 A. **Not really, no.**

10 Q. Okay, let's go to the first page.
11 It's a little clearer there.

12 MR. ADLER: Could I just note an
13 objection just to the extent that
14 Captain Parsons has testified that he's
15 a layperson and doesn't understand the
16 terminology used in the order. You can
17 go on.

18 BY MR. WOODS:

19 Q. At the bottom of the middle
20 paragraph, just before it says Article 270A -- I'm
21 sorry, 276, the last sentence there, the order
22 says:

23 "Likewise it is requested to
24 designate to officials of the
25 Bolivarian National Guard of



1 together for February 9, and it looks like
2 February 11, correct?

3 **A. Yes.**

4 Q. And there you see the Cormoran is
5 the patrol boat you have the Lirio is all fast
6 centred, and you depart. When it says "Cormoran
7 on location," was that when it was I think you
8 said within a mile of the Gerd Knutsen?

9 **A. Yeah, she was -- well, that**
10 **morning she was closer.**

11 Q. How much closer?

12 **A. Close enough I told the guys on**
13 **the bridge not to be take pictures of her, afraid**
14 **they would see.**

15 Q. You mentioned she had a machine
16 gun, right? Where was that located? Is that
17 located forward?

18 **A. The exact location I would not be**
19 **able to tell you, but she had one. I think the**
20 **pilot informed me it was a 50-caliber machine gun.**

21 Q. Do you recall actually seeing it
22 yourself?

23 **A. Yes, I do. They were actually**
24 **oiling it up and preparing it, or doing**
25 **maintenance on it prior to departing.**

1 **A. Again, I don't know.**

2 Q. You can look that up too. It's
3 even in Wikipedia?

4 **A. Yes, I don't go around looking**
5 **that up.**

6 Q. Okay.

7 **A. It's over a year ago. And size**
8 **is irrelevant once you have got a machine gun on**
9 **her.**

10 Q. I just wondered if it would
11 surprise you to know the patrol boat was smaller
12 than the tug?

13 **A. Not really, no.**

14 Q. In your experience, are you aware
15 when the vessel issues a bill of lading for a
16 cargo, and then sails, is it -- have you ever seen
17 situations where the vessel's destination changes
18 from that listed on the bill of lading during the
19 course of the voyage?

20 **A. Me personally, no.**

21 Q. Have you ever heard of a
22 situation where the bills of lading are sold
23 during the course of the voyage and the cargo
24 owner changes hands --

25 **A. No.**

